



# Iowa Department of Human Services

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## INFORMATIONAL LETTER NO.1433

**DATE:** October 20, 2014

**TO:** Iowa Medicaid Home Health Services Providers

**FROM:** Iowa Department of Human Services, Iowa Medicaid Enterprise (IME)

**RE:** Home Health Services (HHS) Program and Cost Reports

With the implementation of the low utilization payment adjustment (LUPA) methodology on July 1, 2013, cost reports are not required for services provided on or after that date for the HHS program. The LUPA methodology does not apply to the Early Periodic Screening Diagnosis and Treatment (EPSDT) Private Duty Nursing/Personal Cares (PDN/PC) program. Submission of cost reports will continue to be required for the EPSDT PDN/PC program.

### Legislative Directive

Pursuant to Iowa Legislative action (Iowa Code Section 249A.4, and 2013 Iowa Acts, Senate File 446, section 29f), the LUPA methodology became effective July 1, 2013. The services of the HHS program that are reimbursed by the LUPA wage index adjusted rate methodology include the following disciplines: Skilled Nursing, Home Health Aide, Physical Therapy, Occupational Therapy, Speech Therapy; and Medical Social Services.

### LUPA Reimbursement Methodology

The LUPA rates are national rates calculated by the Centers for Medicare and Medicaid Services (CMS) on an annual basis. These rates reimburse per visit for each service discipline listed above.

Due to this reimbursement change, the **final** cost settlement for the six disciplines identified in paragraph two above, applies to paid claims through June 30, 2013. Final cost reports are due 180 days after the provider's fiscal year-end (FYE). The submission requirements are as follows:

- FYE June 30, 2013: The final cost report of July 1, 2012 – June 30, 2013, will be due on **November 30, 2013**.
- FYE December 31, 2013: The final cost report of January 1, 2013 – December 31, 2013, will be due on **May 31, 2014**.

### Further Questions

If you have any questions, please contact the IME Provider Cost Audit and Rate Setting Unit at 1- 866 863-8610, or locally in the Des Moines area at 515- 256-4610, or by email at [costaudit@dhs.state.ia.us](mailto:costaudit@dhs.state.ia.us).